

FILED
Date _____
Time _____
Clerk _____
Comm. Amdt. _____

Amendment No. 1 to HB0114

Fitzhugh
Signature of Sponsor

AMEND Senate Bill No. 93*

House Bill No. 114

by deleting all language following the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 67-4-1004, is amended by adding the following language as a new, appropriately designated subsections:

()

(1) In addition to the tax provided in subsection (a), there shall be levied an additional fifteen hundredths of one cent (0.15¢) on each cigarette.

(2) Any wholesale dealers, jobbers, tobacco distributors, and retail dealers having cigarette tax stamps, affixed and unaffixed, in their possession on July 1, 2007, shall not be required to pay such additional cigarette tax on such stamps resulting from the increase in the tax rate by this act.

()

(1) Notwithstanding the provisions of this part or other law to the contrary, all cigarette tax revenue generated from the additional tax levied by the provisions of this act shall be deposited in the "Tennessee Veterans' War on Terror Fund" which is hereby created and hereinafter referred to as "the Veterans' Fund". All funds deposited in the Veterans' Fund shall not revert at the end of any fiscal year. All funds deposited in the Veterans' Fund shall be invested in the same manner as funds in the general fund are invested and all interest and investment earnings shall be deposited in and become a part of the Veterans' Fund

(2) Funds in the Veterans' Fund shall only be appropriated and expended as follows:

(A) Two-thirds (2/3) of such funds to provide scholarships to Tennessee Iraqi and Afghanistan war veterans from moneys available in

the Tennessee Veterans' War on Terror Fund. Any person awarded such scholarship shall be a Tennessee resident during such veteran's service in Iraq or Afghanistan, a Tennessee resident at the time of application for the scholarship and a Tennessee resident during the duration of the scholarship.

Such scholarships shall only be granted for attendance at postsecondary institutions of education located within the state of Tennessee. Such scholarships shall be granted for tuition, fees, books, living expenses and other items included in regulations of the Tennessee student assistance corporation.

The amount of such scholarships shall be established annually in the general appropriations act.

The Tennessee student assistance corporation shall administer the scholarship program and is authorized to promulgate rules and regulations in accordance with title 4, chapter 5, including emergency and public necessity rules, to implement the provisions of this act; and

(B) One-third (1/3) of such funds to fund Tennessee state veterans' homes.

SECTION 2. This act shall take effect on July 1, 2007, the public welfare requiring it.